



## 1998 Business Plan

## Air Force Vision:

Air Force people building  
the world's most  
respected Air and Space  
Force....

Global Power and Reach  
for America

## Air Force Acquisition Vision:

An innovative team leading  
the Air Force in partnership  
with industry and the other  
services to provide  
America's War Fighters  
effective weapons in the  
most efficient manner  
possible

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## Overview

The role of the contracting community in supporting our warfighters cannot be overemphasized. Your role will grow in importance as we move to the 21<sup>st</sup> century. Outsourcing and privatization, downsizing, and support of Contingency Contracting missions will demand your best efforts. You will be challenged to streamline and re-engineer every aspect of your contracting mission. The Air Force Contracting business plan, **CONTRACTING 21**, contains goals, objectives, and supporting tasks that are “outcome” oriented. This plan will be achieved only if you align every leader, every procuring organization, and every individual in the contracting community with the mission. **CONTRACTING 21** clearly defines your direction, and serves as a

catalyst for systematically assessing where you are now and where you need to be in the future. It is a means of aligning contracting goals and objectives with those established at higher levels - DoD and our Air Force Acquisition Goals. Most importantly, it is a tool for communicating with the contracting work force and the rest of the acquisition community in order to meet our warfighters’ needs. **CONTRACTING 21** is a great team effort. Now it us up to you to provide the energy and creativity to turn your plan into business results that support Air Force operational needs.

## Air Force Mission:

To defend the United States through control and exploitation of air and space

**Lt Gen Gregory S. Martin**  
Principal Deputy  
Assistant Secretary of the  
Air Force for Acquisition



## Air Force Acquisition Mission:

Provide the leadership, direction, policy, and resources to acquire and sustain superior systems, supplies and services to accomplish the Air Force mission

Today, Acquisition Reform has created significant changes in the way the Federal Government conducts business. The Air Force has been very successful in using best value strategies to select contractors to meet our systems' and services' requirements. We are at the forefront of outsourcing and privatization initiatives. We have been leaders in buying commercial items and services, driving costs down, and cutting lead time. Requiring organizations are using the Government Purchase Card program with their micropurchase authority to obtain needed items to run their day-to-day operations. They are cutting red tape, reducing cycle time, and improving local purchase systems. Air Force Contracting provides business advice, and contract solutions which support the customer with a link between

mission needs and reputable private-sector contractors. The Air Force is faced with major challenges in developing innovative ways to reduce support costs and use savings for our modernization programs. In this light, Air Force Contracting will play an increasingly important role.

**CONTRACTING 21** is your business plan! It postures Air Force Contracting to meet customer expectations and mission requirements.

**Mrs. Darleen Druyun**  
Principal Deputy Assistant  
Secretary of the Air Force  
for Acquisition &  
Management

## Our Values

*The Air Force values are part of this plan. Our vision can only exist for an organization where all employees accept and support certain principles as the foundation for their work. Our values are reflected in these commitments:*

**Integrity First**

**Service Before Self**

**Excellence In all We Do**

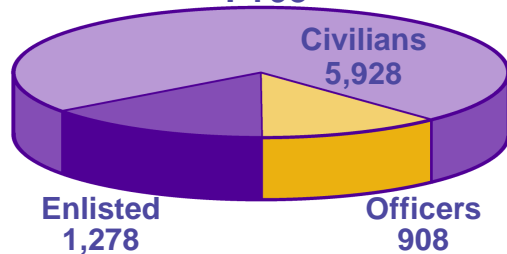
## Contracting Team

Air Force Contracting is a team of over 8,100 dedicated officers, enlisted personnel, and civilians (including foreign nationals) who work within seven distinct mission areas: Operational Contracting (OC), Contingency Contracting (CC), Non-appropriated Contracting

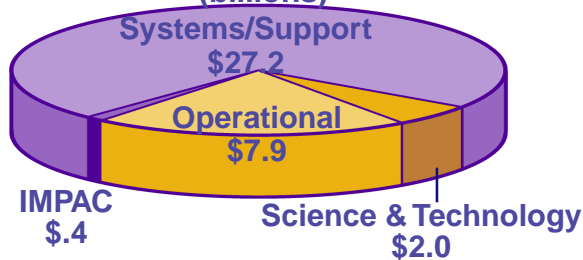
### Air Force Work Force By Command

<u>MAJCOM</u>	<u>Officers</u>	<u>Enlisted</u>	<u>Civilians</u>	<u>Total</u>
AFMC	375	72	3428	3875
AETC	72	224	432	728
AMC	52	200	354	606
ACC	92	325	329	746
PACAF	27	160	102	287
USAFE	29	113	51	193
USAF A	2	5	56	63
AFSOC	2	19	30	51
SAF/AQC	14	1	26	41
AFSPC	48	102	342	492
11WG	7	23	60	91
Other*	110	33	290	433
AFRES	0	0	191	191
AIA	0	1	31	32
CPMC	0	0	206	206
<b>TOTAL</b>	<b>923</b>	<b>1278</b>	<b>5928</b>	<b>7995</b>

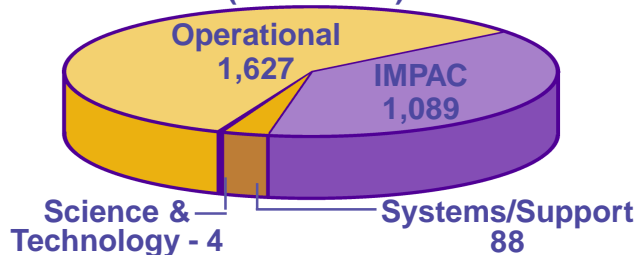
### Air Force Contracting Work Force FY98



### Air Force Contracting Dollars - FY 97 (billions)



### Air Force Contracting Actions - FY 97 (thousands)



(NAC), Contract Administration Services (CAS), Research and Development (R&D) Contracting, Sustainment Contracting (SSC), and Systems Contracting (SC). Our team is committed to customer support and technical excellence. Our talented people work at 105 installations, including Air Force Reserve, throughout the United States and 20 foreign countries. Not only are we crucial in the development and production of new weapon systems, we are also instrumental in their fielding. Additionally, we play a critical Contingency Contracting role when we deploy side-by-side with warfighters through-out the world. We are among the first in and the last out of deployment theaters. We maintain continuous operations in Southwest Asia, Saudi Arabia, Kuwait and Oman, as well as Slovakia, Sarajevo, and Hungary. Our contracting personnel have been deployed in excess of 14,000 mandays for the first 9 months of FY98. We have broad responsibilities (complex systems, logistics, science & technology, and installation support), having placed over 2.8 million contract actions involving over \$37 billion during FY97. The Air Force Contracting Team is composed of secretaries, procurement assistants, purchasing agents, cost and price analysts, contract negotiators and buyers, procurement analysts, contract specialists, contracting officers, contract administrators, small business specialists, competition advocates, supervisors, superintendents, industrial specialists, labor advisors, and commanders—all making valuable contributions to the warfighter!

## Environment

Acquisition Reform has created significant changes in the way, as well as the environment in which, the Federal Government conducts business. Our role has changed from one of risk minimization to one of risk management. Congress has paved the way for streamlining the acquisition system to cut red tape, costs, and cycle times and to improve mission support. Use of the Government Purchase Card has transferred micropurchase workload away from our buying centers to over 30,000 card holders assigned throughout the Air Force at the organizational level. Increased use of commercial practices and expanded use of best-value techniques and past performance in selecting contractors now enables us to operate more like a business to better support our customers.

Several major environment issues which impact Air Force Contracting were considered in developing this plan. These include:

- DoD's goal to achieve paperless contracting by January 2000
- Continued DoD downsizing, as reflected by OSD commitments to reduce end-strengths by the end of FY 2000, as well as continuing Congressional pressure
- The increased need to proactively manage accession, attrition, and training of personnel
- DoD's commitment to outsource work currently performed by Government employees, which will increase contracting workload and change our organizational structure
- Continued emphasis on Acquisition Reform, which will drive more process streamlining, re-engineering, and re-invention
- Continued evolution of information technology, which will drive re-engineering of DoD and AF contracting processes
- Demands for increased performance with reduced costs, which will be a primary driver for the Air Force acquisition community
- Slow/no growth budgets and competing priorities, which will create major pressure to reduce costs and will limit new starts of major weapon system acquisitions
- The continued expansion of the Government Purchase Card, electronic commerce and other micro-purchase tools
- DoD's commitment to support socio-economic programs



# Paradigm Shift

## Old Paradigm:

Budget Driven  
Specification Based  
In-House  
Government Owned  
Internal Controls  
Oversight  
Management Run  
Contracts Manager  
Independent  
Individual  
MAJCOM  
Stove Pipe  
Paper Based  
Purchase Orders

## Future Paradigm:

Cost Driven  
Performance Based  
Outsource  
Privatize  
Performance Measures  
Insight  
Empowerment  
Business Advisor  
Integrated  
Team  
Mission Area  
Multi-disciplinary  
Paperless  
Electronic Buying

*Corporately, We Believe that We Must Create an Environment that Fosters and Encourages Change - - Our Future Depends on us Being Better with Fewer Resources*



# LEAP<sup>3</sup>S

*LEADERSHIP  
PEOPLE  
PROCESSES  
PRODUCTS  
SERVICE*

## Key Result Areas

You will find five recurring themes, or Key Result Areas, in our mission statement, goals, strategies and management framework. They are functional threads that weave their way through the plan and form the basis for our management style and organizational approach, our policy and process initiatives, and our execution concept and philosophy.

### Leadership

Leadership is the foundation of **CONTRACTING 21**. Strong leadership is essential to fulfill our intent to be a center of excellence. Leadership facilitates our operating mode to ensure we embrace change and move at the pace necessary to meet our goals. Teamwork and collective action help the leadership team set vision, strategies, objectives, priorities,

and internal processes. It is up to us to foster an environment that inspires trust, teamwork, pride, and steadfast commitment to support the warfighter. Leadership fosters a commitment to customers, employees, and to the American people whose National defense depends, in part, upon Air Force Contracting. Leadership is energy and enthusiasm that sparks the work force to want to make a difference.

### People

Our ability to follow through on contracting initiatives comes down to the capabilities and dedication of our professional contracting community. While some Air Force disciplines have sophisticated equipment, extensive facilities, or capital to help accomplish their mission, in the contracting career field people are by far the single most important resource. Air Force Contracting will be people-focused,

# Performance Results

OBJECTIVES		KEY RESULT AREAS					
		LEAdership	People	Processes	Products	Service	LEAP <sup>3</sup> S
1.1	Develop our People	X	X				X
1.2	Provide Performance Enhancing Tools to our Work Force		X	X			X
1.3	Establish Aggressive Communication Network	X	X				X
2.1	Support Customer - Warfighter Value Added			X	X	X	X
2.2	Become the Business Advisor			X	X	X	X
3.1	Apply Smart Business Practices	X		X	X	X	X
3.2	Buy Commercial			X	X	X	X
3.3	Facilitate Outsourcing & Privatization			X	X	X	X
3.4	Performance Based Service Contracting			X	X	X	X
3.5	Implement Past Performance Practices			X	X	X	X
4.1	Reengineer Air Force Contracting Information System			X		X	X
4.2	Leverage the Internet			X	X	X	X
4.3	Paperless 2000			X	X	X	X

# Contracting Core Competencies

- **Negotiation**
- **Pricing**
- **Source Selection**
- **Administration**

We apply our Core Competencies to achieve:

*Creative Business Advice and Sound Contracting Strategies*

*Selection of Responsible Contractors to Meet Warfighter Needs*

*Fair and Reasonable Negotiated Business Arrangements*

*Administration of Contracts to Ensure Quality, Timeliness, and Fairness*

*Effective Execution of Public Objectives and Legislation*

*Prepared and Dependable Contingency Contracting Support for Global Mobility*

*Information Technology to Enhance Business with Industry*

not people-intensive. We need a culture of high-energy, competent, self-confident people, attuned to customer expectations and, in turn, highly respected by current and potential customers. The people of Air Force Contracting are a team, working together in a flexible, progressive, and learning environment. Given the challenges we face, only the most talented, motivated professionals will suffice.

It is essential that we strive to make Air Force Contracting a field of excellence. We have a huge responsibility to ensure that we build a work environment that will train, nurture, recognize, and provide career growth opportunities for all of our people. This will be tough, especially in light of the continued pressure to downsize. We must create a bond with our people that is based on caring, mutual respect, mentoring, and discipline. With

everyone contributing their part, we can continue to attract and keep the top quality individuals our mission demands.

### Processes

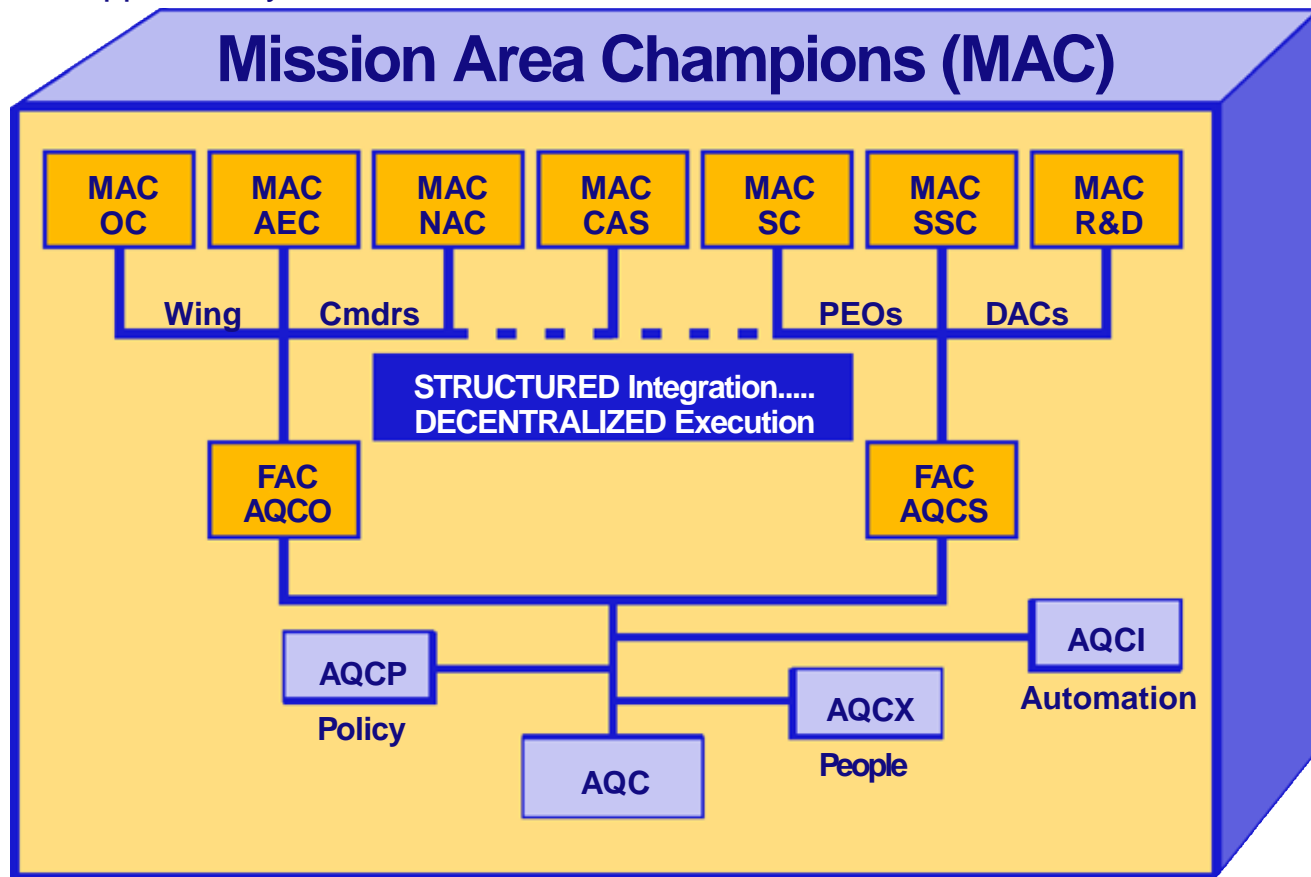
Providing best value services and products to our customers is dependent on the quality and effectiveness of our contracting processes. With the Lightning Bolts, we have already begun the re-engineering effort necessary to guide us into the 21<sup>st</sup> century. But the journey is just beginning. The Office of the Secretary of Defense (Secretary Cohen, Dr Hamre, and Dr Gansler) is calling for a revolution in our business affairs. We have total support from Air Force acquisition leadership (Lt Gen Martin and Mrs. Druyun) to implement smarter business practices. We have a great opportunity to transform current processes by driving consistent

practices throughout mission areas, simplifying our procurement tasks, and improving our contracts. With this opportunity comes a tremendous challenge to ensure our contracting processes, organizations, and tools are effectively re-engineered. We must maintain the concepts that have made us among the best in the Federal contracting work force. Yet we must rapidly adapt to the changed environment we will face in the 21<sup>st</sup> century. A good example is our goal to achieve paperless contracting by January 2000.

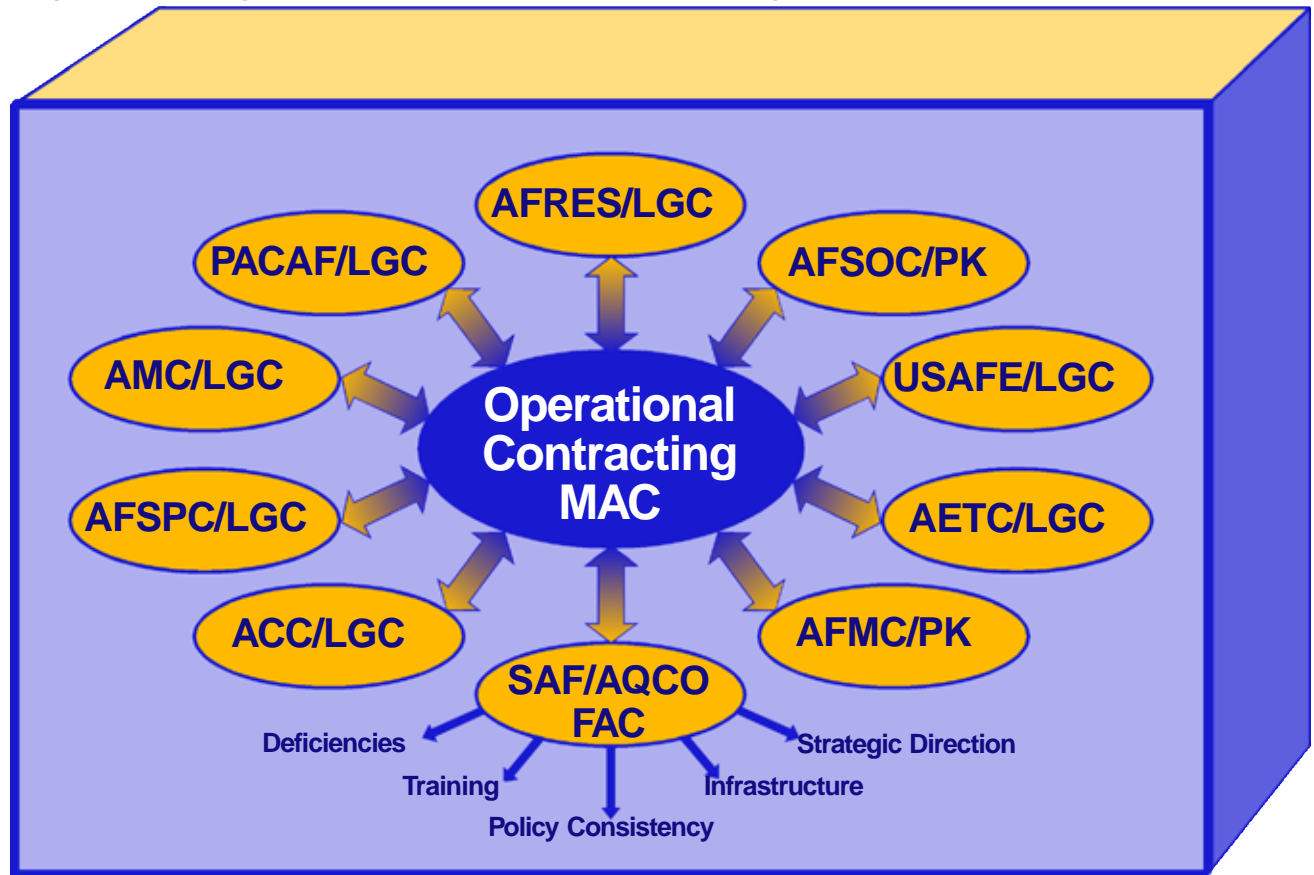
### Products

Contracting organizations purchase a wide spectrum of products including our most sophisticated weapon systems, construction and services to operate our installations, utilities, sustainment parts, and day-to-day operating

Full Spectrum Support — A Continuum of Support  
from Base Services/Supplies to Systems  
Acquisition



A Forum to Bring Stakeholders Together—a Virtual Organization Communicating, Consensus Building, Committing, Assessing Policy—Unity of Purpose throughout each Mission Area



supplies. It is crucial that our performance objectives are on target with the products (supplies and services) our customers require. We must retain the public's confidence while we help our customers perform their mission. Obtaining best value continues to be a key issue and objective in defense contracting. In this context, value has two distinct, but interrelated, aspects. First, we must obtain a fair and reasonable price for the products we buy, given the required quality and delivery schedule. Second, and equally important, we must get what we pay for. Only by doing so will we do our part to ensure the American public continues to benefit from the protection afforded by the world's most capable Air Force.

### Service

We are a service community. Our goal is to ensure our customers

are supported on time, every time. Everything we do is aimed at supporting some aspect of the Air Force mission. Whether we are buying base services, supplies, spare parts, or major weapon systems, we must keep in mind our responsibility for outstanding service to our customers. We must be responsive and present the right attitude—a positive attitude! Outstanding service means working closely with each of our customers as their 'business advisors' in order to understand and assist them with their requirements, and to meet their needs with the best possible business solutions. Ensuring top-quality products and services are delivered around the world, where and when required, is an exciting challenge—we must continue to excel!

## Mission Area Champions (MAC)

With over 8,100 contracting people at 105 locations, even with the best of plans, we are less effective if we do not establish strong communications with *all* our people—field locations *and* staffs! In addition, we must ensure our MAJCOM and Pentagon staffs better understand, from a mission area perspective, the problems we are asked to solve and the processes we are expected to improve. We must re-engineer and streamline our processes within and across mission areas. We will accomplish this by creating a robust communication network; by effective use of our Air Force, MAJCOM, center, and squadron home pages; and by networking with Mission Area Champions (MAC) from our MAJCOMs for the seven major mission areas in



contracting: Operational Contracting (OC), Contingency Contracting (CC), Non-appropriated Contracting (NAC), Contract Administration Services (CAS), Research and Development Contracting (R&D), Sustainment Contracting (SSC), and Systems Contracting (SC). Mission Area Champions will advocate, with and on behalf of all the MAJCOMs, the best process improvements, practices, and problem resolutions within and across mission areas. The accompanying figures on previous page depict the overall Mission Area Champion structure and an example of a typical Mission Area Champion interface.

# Revolution in Business Affairs

## The Big Rocks

### **Mission Area Focus**

OPR-SAF/AQC

### **Becoming the Business Advisor**

Tasks 2.2.2, 2.2.1; OPR-SAF/AQCX, AFSPC/LGC

### **IMPAC**

Task 3.2.2; OPR-MAJCOM LGCs

### **Electronic Commerce**

Tasks 1.2.3, 4.2.1; OPR-SAF/AQCI

### **Contract Payments (CLINS, IMPAC)**

### **Paperless Contracting**

(Rqmts to Closeout)

Tasks 4.3.1, 4.3.2; OPR-SAF/AQCI

### **Reengineering Operational**

**Contracting**

Task 1.2.5; OPR-SAF/AQCP;  
MAJCOM LGCs

### **Training 2000, Schoolhouse**

Task 1.1.6; OPR-SAF/AQCI,  
Schoolhouse

### **Commercial Contracting**

Tasks 3.2.1, 3.2.2; OPR-MAJCOM  
LGCs; SAF/AQCO

### **Outsourcing and Privatization**

Task 3.3.1; OPR-SAF/AQCO

### **Past Performance**

Task 3.5.1; OPR-SAF/AQCP,  
SAF/AQCO

### **Reengineering Source Selection Process**

Task 3.1.2; OPR-SAF/AQCP

### **Reengineering Services Buying**

Tasks 3.4.1, 3.5.2; OPR-SAF/AQCO,  
MAJCOM LGCs

### **Regional/Centralized Contracting Contract Closeouts**

### **Meaningful Metrics**

Task 3.1.4; OPR-SAF/AQC Staff,  
MAJCOM LGCs

# Revolutionizing Air Force Contracting

As our contracting environment is changing, so must our responsibilities to serve our many customers. We need to be their business advisors. We must use our expertise to implement Acquisition Reform by using smart business practices to help squeeze the fat from the 'logistics tail.' There is currently too much 'tail' and not enough 'tooth.' Our military infrastructure is too big and is no longer affordable. At the same time, we are lacking the investment dollars needed for modernization. A revolution in business affairs within Air Force Contracting is essential. Our customers' ability to respond to future opportunities under tighter fiscal constraints requires that we become more efficient and effective, delivering

better contracting products and services to our customers by developing better tools and taking advantage of information technology and the availability of commercial products. We must accomplish all this doing our part to reduce acquisition lead time. To do this, we must identify 'best practices,' seek new ways of doing business, and continue to pursue the following targets of opportunity:

## **We will revolutionize Air Force Contracting and the way we conduct business to more efficiently meet customer needs**

We will pursue the acquisition mission and our goals and objectives aggressively by fully adopting acquisition reforms, expanding our role as Air Force Contracting business advisors, and managing risks. We will ensure that our field contracting units and the contracting staff are centers of excellence in

their areas of technical expertise, capable of delivering high-quality products and services that meet or exceed our customers' requirements. We will deliver our contracting products faster and cheaper, with better contracting results for our customers to satisfy the needs of the Nation. The ability to realize savings, and thereby enable increased opportunities for weapon system acquisition and modernization, is a fundamental goal of our revolution.

## **We will change the way we work with our contractors**

A more cooperative relationship with our contractors will be the cornerstone of our operations. The key word is 'openness.' It is important to keep industry informed and involved throughout the requirements definition, acquisition planning, and contracting processes. 'Openness' will improve the proposal process.

# Strategic Framework for Process Management: 21st Century Air Force Contracting

**Global  
Engagement:  
21st Century  
Air Force**

**Air Force  
Strategic  
Plan**

**Leadership  
People  
Processes  
Products  
Service**

**Operational  
Contingency  
Nonappropriated  
Contracting  
Contract  
Administrative  
Services  
Technology  
Sustainment  
Systems**

**SAF & AF  
PEO/DACS  
MACs  
MAJCOM Dir's  
Wing Cmdrs  
Congress  
SPDs  
OSD  
PCO/Buyers  
Industry**

**Warfighters**

## Outsourcing

Outsourcing through a competitive process is one way to provide support services more efficiently. It is ***not*** about the elimination of a service or function; it ***is*** about the most effective procurement of that service or function, through a competition open to both private contractors and government employees.

## Privatization

Privatization is a slightly different concept. Rather than holding a competition between public and private sectors, when we privatize we usually “get out of the business,” transferring government assets to the private sector. We give up government oversight of the activity, and rely on the private sector and the market place. Privatization of utilities and military family housing are the hot privatization areas.

***O&P’s potential impact on our people, our mission, and our Air Force is significant. We must do this right. Smart implementation is absolutely essential to sustaining the world’s finest Air and Space Force into the 21st century.***

General Michael E. Ryan  
Air Force Chief of Staff

Sharing more information about our needs earlier in the process, and inviting and addressing industry comments and concerns before proposals are requested, shortens proposal preparation and evaluation time. 'Openness' will also improve our use of Cost As An Independent Variable (CAIV). CAIV results in better and more comprehensive cost and performance tradeoffs by providing industry with a clear understanding of the trade space involved for each acquisition, which will enable best value contract awards to support our warfighters. At the same time, we will assign a higher level of integration responsibility and accountability to Air Force contractors. By reducing the involvement of Air Force personnel in the details of contractor management and moving them into a contract 'insight' role, we will strive to 'enable' the aerospace business, not direct it.

We will also use performance-based contracting methods. We will emphasize work statements, specifications, and delivery schedules written around the desired outputs and outcomes of the contract, not around specific processes.

Through these new working relationships with industry, we will create an environment in which companies engage in Air Force contracts not simply for immediate profits, but to gain value from the partnership between Government and industry. These improvements in the way we work with our contractors will enhance cooperative efforts with existing contractors as well as encourage more participation by suppliers previously reluctant to pursue Government contracts.

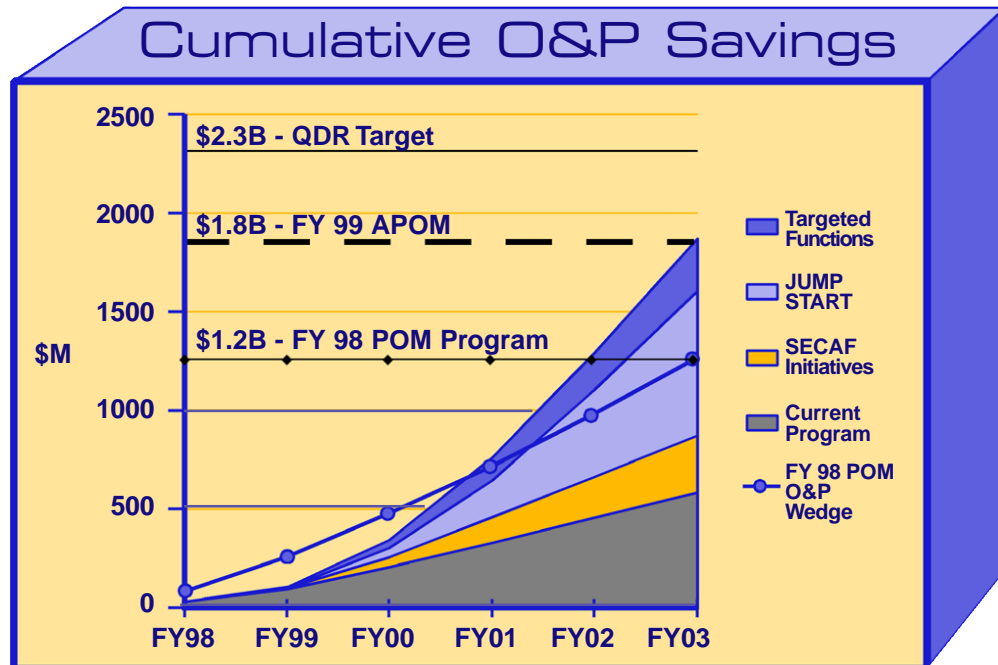
**We will continue to execute and improve our processes related to outsourcing and privatization**

Outsourcing and privatization are critical elements in achieving the efficiencies necessary to fund modernization of the U.S. forces. Air Force Contracting will play a crucial role as the Air Force continues to examine the feasibility of managing some of our activities through private industry rather than using in-house resources. For example, the housing privatization effort has come through a difficult birthing process, but the pace is accelerating. Decent and affordable housing is crucial to improving the quality of life for Air Force service members and their families. The Air Force currently has a backlog of substandard and inadequate housing. Using strictly MILCON dollars, it would take many years to complete repair and replacement. Instead the Air Force has sought private capital to leverage government dollars, and tap the private sector to build and renovate

military housing faster, at lower cost to the taxpayer, and within an affordability range of military service members. Air Force Contracting is a vital member and key business advisor in every housing privatization effort.

Air Force Contracting is also out in front when it comes to a robust outsourcing program, and has documented results. With the challenge of changing the way we align critical resources through outsourcing non-core activities comes

the opportunity to use acquisition reform and good business practices. Along with the DoD mandate to outsource when it makes good business sense comes the responsibility of Air Force Contracting to help lead the way with solid, service-oriented processes.



“Because of a \$1.2B deduction taken in FY 96 from the FY 98 - 2003 POM and another \$1.8B deduction taken from the Air Force from the FY 99 - 2004 POM, you can see that, at best, our Air Force installations could face significant shortfalls from FY 98 through FY 2000. If the O&P savings do not come as projected in this chart, installation budget shortfalls could be even more significant. Question becomes, in either scenario, what can you do now to help out your commander with his current and expected budget shortfalls. The answer is to revolution our business affairs!”

**We will continue to work to change regulations so that we can work smarter**

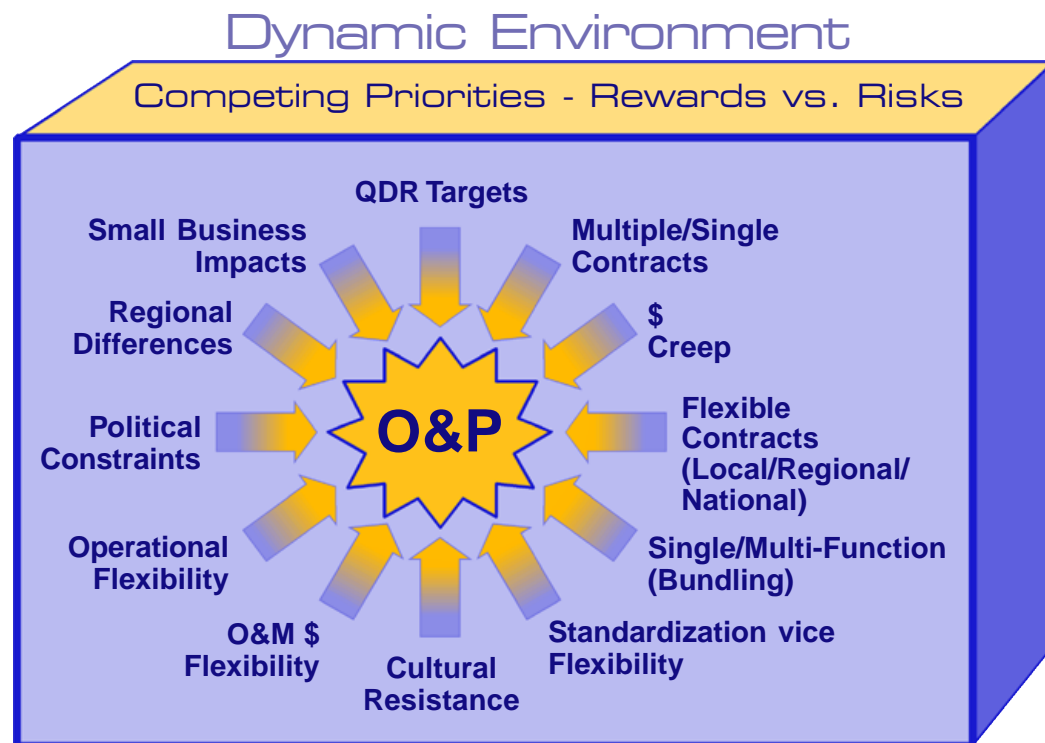
We will continue to expand our efforts to influence regulatory

changes to ease the transition to a new way of doing business. We will reduce internal regulation and policy documentation substantially (both number of documents and

number of pages). We will continue to improve our processes, examine ways to reduce paperwork, and provide incentives to our contractors to be more efficient.

**We will deliver on our commitments, be accountable for our contracting actions, and do our part to implement sound business practices throughout Air Force Contracting**

We will develop achievable and implementable plans and programs at all levels of Air Force Contracting, with a focus on relevant results for our customers. We will empower employees to perform their jobs and supervisors to manage, while holding all accountable for fulfilling their responsibilities. We will re-invent our processes to ensure planning and deployment are integrally tied to the DoD Goals and the Air Force End-States and Strategic Goals.





## Our Goals

Our strategic business plan contains four cross-cutting goals that provide meaning and give life to our five Key Result Areas of Leadership, People, Processes, Products and Service:

**GOAL 1:** Invest in our People

**GOAL 2:** Satisfy Customer Needs

**GOAL 3:** Lead the Revolution in Air Force Business Affairs

**GOAL 4:** Exploit Emerging Technologies

## Goals

Through strong and focused leadership we can achieve these ambitious goals. With your help, Air Force Contracting can proactively influence beneficial outcomes. At the same time, this plan ensures that in areas where we have direct control, management of our processes, data systems, work force and 'mission areas' are efficient and effective. Under each goal, the plan identifies many objectives, supported by specific tasks which Air Force Contracting is pursuing in order to achieve each objective. Where possible, tasks are supported by performance measures (metrics) which appropriately measure status of the desired outcomes. These performance measures (metrics) ensure accountability for results and will provide feedback needed to adjust and improve our operations.

### **Our Focus is to Facilitate “Customer Responsiveness”**

- - *The bottom line is...the ‘mission area’ focus is not about what we do, its about changing, integrating and improving the process of how we do it!*

## Goal 1

### **Invest in our People**

#### **OBJECTIVE 1.1 Develop and maintain a professional work force**

**Task 1.1.1** - Ensure, as a minimum, 95% of all personnel in Level 3 positions and 85% of all personnel in Level 2 positions, meet the Acquisition Professional Development Program requirements of their positions  
Reference: AQ Plan 1.2  
Metric: Percentage of professional work force certified in the acquisition professional development program at the appropriate level or higher

Computation: Number of employees in Level 2 positions who are certified Level 2 or higher divided by the number of employees on Level 2 positions (same for Level 3)  
Source Data: Data to populate this measure resides in Acquisition Professional Development Program Management Information System (APDP-MIS)  
OPR: MAJCOM LGCs  
OCR: SAF/AQCX  
Suspense: Sep 99

**Task 1.1.2** - Ensure at least 90% of the first time Contracting Squadron Commanders complete the squadron commanders course within 6 months on station  
Reference: AQ Plan 1.2  
Metric: Percent of commanders who complete squadron commanders course within 6 months of arriving on station  
Computation: Number of commanders completing the course prior to or within 6 months of arriving on station divided by the number of commanders

Source Data: Data to populate this measure resides at AFPC  
OPR: SAF/AQCO  
OCR: MAJCOM LGCs  
Suspense: Sep 99

**Task 1.1.3** - Ensure 70 % of the personnel subject to deployment for contingency operations have completed the DoD contingency contracting course  
Metric: Percent of military by rank and grade/primary skill level, and MAJCOM subject to deployment who complete the DoD contingency contracting course  
Computation: Number of military by rank and grade/primary skill level, and MAJCOM subject to deployment who complete the DoD contingency contracting course divided by the number subject to deployment  
Source Data: Contingency course records  
OPR: MAJCOM LGCs  
OCR: Chief, Enlisted Policy  
Suspense: Sep 99

**Task 1.1.4** - Provide a well-defined framework for progression of Air Force civilians into Air Force leadership positions  
Reference: Air Force Executive Resources Board Development Panel Strategy; AQ Plan 1.4  
Metric: TBD  
OPR: SAF/AQC; Career Programs  
OCR: MAJCOM LGCs  
Suspense: Sep 99

**Task 1.1.5** - Provide a well-defined framework for progression of Air Force non-commissioned officers into Air Force leadership positions  
Reference: AQ Plan 1.4  
Metric: Percent increase in leadership positions created from 30 Sep 97 baseline  
Computation: N/A  
Source Data: N/A  
OPR: SAF/AQCO; Chief, Enlisted Policy  
OCR: MAJCOM LGCs;  
Suspense: Sep 99

**Task 1.1.6** - Ensure Lackland 'Schoolhouse Training 2000' program is updated to reflect the automated contracting offices of the 21<sup>st</sup> Century  
Reference: AQ Plan 1.4  
Metric:  
a) Schoolhouse equipped with new SPS supporting computer hardware/software infrastructure by Aug 99  
b) Additional instructor slot and increased grade established and filled by Sep 99  
c) Automation smart business practices provided to schoolhouse for level 100 and 200 courses by Sep 99  
Computation: N/A  
Source Data: Schoolhouse  
OPR: SAF/AQCI, Schoolhouse; Chief, Enlisted Policy  
OCR: SAF/AQCX

**Task 1.1.7** - Ensure the PME courses and study material are updated to reflect current information and the data that will be tested.

Reference: AQ Plan 1.4

Metric: Number of courses updated

Computation: Count

Source Data: Schoolhouse

OPR: Schoolhouse, Chief, Enlisted Policy

OCR: SAF/AQCX

Suspense: Sep 99

## **OBJECTIVE 1.2 Provide performance enhancing tools and training to our work force**

**Task 1.2.1** - Ensure the contracting work force uses the Air Force Contracting home page to obtain up-to-date training guides, automation and other best practices and other information

Metric: Percent increase in Air Force Contracting home page usage

Computation: Monitor number of home page hits/unique users per month

Source Data: Air Force Contracting home page

OPR: MAJCOM LGCs

OCR: SAF/AQCX

Suspense: Continuous

**Task 1.2.2** - Ensure FAR parts in the Air Force Contracting home page tool kit are active with timely, relevant, and accurate information

Metric: Percentage of FAR parts in the Air Force Contracting home page tool kit which are active with timely, relevant, and accurate information  
Computation: Number of FAR parts in the Air Force Contracting home page tool kit which are active with timely, relevant, and accurate information divided by the number of existing FAR parts in the Air Force Contracting home page tool kit

Source Data: Data to populate this measure resides in the Air Force Contracting home page

OPR: SAF/AQCX, SAF/AQCP

OCR: MAJCOM LGCs

Suspense: Jun 98

**Task 1.2.3** - Develop and publish new electronic commerce/contracting capability guidance

Metric: Number of user manuals or guides developed and published

Computation: Count

Source Data: N/A

OPR: SAF/AQCI

OCR: MAJCOM LGCs

Suspense: Sep 98

**Task 1.2.4** - Develop and publish Air Force Contracting's annex the the "Air Force Five Year Alternative Dispute Resolution (ADR) Plan"

Metric: Annex developed and published

Computation: N/A

Source Data: N/A

OPR: SAF/AQCS

OCR: SAF/AQCO; SAF/AQCX; MAJCOM LGCs; AFMC/PK

Suspense: Mar 99

### **Task 1.2.5 -**

- a) Reorganize Air Force Operational Contracting Squadrons in accordance with the new structure approved in AFI 38-101 and,
- b) Develop and publish new Operational Contracting Manpower Standard

Metric: a) Percentage of squadrons restructured,  
b) Standard developed and published

Computation:

- a) Number of squadrons restructured divided by the number of squadrons
- b) N/A

Source Data: N/A

OPR: MAJCOM LGCs; SAF/AQCO

OCR: SAF/AQCX

Suspense: Sep 99

## **OBJECTIVE 1.3 Communicate with our work force**

**Task 1.3.1 -** Share best business practices, processes and policy changes with the field through the Air Force Contracting home page, contracting conferences, and direct interface with our customers

Reference: AQ Plan 1.1

Metric: Satisfaction of MAJCOM/DRU Directors of Contracting and workforce

Computation: Likert scale of 1 to 6

Source Data: E-mail/FAX/Letter/annual survey

OPR: MAJCOM LGCs

OCR: SAF/AQC Staff

Suspense: Continuous

**Task 1.3.2 -** Publish quarterly Air Force Contracting newsletters to market our successes and aid communication across Air Force Contracting

Reference: AQ Plan 1.1

Metric: Number of newsletters posted to the Air Force Contracting home page each fiscal year

Computation: Count

Source Data: Data to populate this measure resides in SAF/AQCX

OPR: SAF/AQCX

OCR: MAJCOM LGCs, DRUs, SAF/AQC Staff

Suspense: Quarterly

## **Goal 2**

### **Satisfy Customer Needs**

#### **OBJECTIVE 2.1**

#### **Meet or exceed our customers' requirements**

**Task 2.1.1 -** Design and implement a 'Smart Business Practices' (SBPs) program in Air Force Contracting

Metric: Number of SBPs developed and fielded

Computation: Count

Source Data: N/A

OPR: SAF/AQCO, SAF/AQCP, SAF/AQCS

OCR: MAJCOM LGCs

Suspense: Feb 99

**Task 2.1.2** - Make Alternative Dispute Resolution (ADR) the method of choice for resolving contract disputes; baseline and increase use of ADR  
Metric: Percentage increase in ADR attempt rate  
OPR: MAJCOM LGCs; AFMC/PK; SAF/AQCS  
OCR: SAF/AQCO; SAF/AQCX  
Suspense: Sep 99

## **OBJECTIVE 2.2**

### **Define, establish and advocate the role of the business advisor**

**Task 2.2.1** - Establish the training and educational requirements needed in order for our people to become better business managers and advisors  
Metric: N/A  
Computation: N/A  
Source Data: N/A  
OPR: SAF/AQCX  
OCR: MAJCOM LGCs; SAF/AQCO  
Suspense: Feb 99

**Task 2.2.2** - Define, establish and advocate the business advisor role and concept and incorporate into Operational Contracting Standard Core Personnel Documents (SCPD)  
Reference: AQ Plan 4.1, 4.2  
Metric: Number of SCPDs classified and available for use  
Computation: N/A  
Source Data: N/A  
OPR: AFSPC/LGC; SAF/AQCX  
OCR: SAF/AQCO  
Suspense: Feb 99

## **Goal 3**

### **Lead the Revolution in Air Force Business Affairs**

## **OBJECTIVE 3.1**

### **Apply Smart Business Practices**

**Task 3.1.1** - Contribute to a 25% reduction in acquisition lead (cycle) time by implementing innovative contracting tools associated with the contracting requirements receipt to award process  
Reference: DoD Goal 2; AQ Offsite Goal 2 (50%); DoD Goal 1 (25%); AF LRP End State 3  
Metric: Average number of days to complete a contracting action over \$25,000 from receipt to award, in each of the mission areas  
Computation: Number of actions awarded divided by total number of days from receipt to award  
Source Data: Data to populate this measure resides in BCAS, ACPS, AMIS databases  
OPR: MAJCOM LGCs  
OCR: SAF/AQCI, SAF/AQCP, SAF/AQCO  
Suspense: Sep 90

**Task 3.1.2** - Publish, test and provide training on AFFARS AA/BB, Source Selection, re-write  
Reference: AF LRP End State 5; AF LRP End State 3; AQ Plan 3.1  
Metric: Re-write published and tested  
Computation: N/A  
Source Data: N/A  
OPR: SAF/AQCP  
OCR: MAJCOM LGCs  
Suspense: Apr 99

**Task 3.1.3** - Define, develop and deploy an initial set of outcome-oriented performance measures which portray performance of our core business processes  
Reference: DoD Goal 9; AF Plan 4.2; AQ Plan 3.1, AF LRP End State 5; AF LRP End State 3  
Metric: Performance measured developed and deployed  
Computation: N/A  
Source Data: N/A  
OPR: SAF/AQC Staff, MAJCOM LGCs  
OCR: N/A  
Suspense: Mar 99

**Task 3.1.4** - Develop baseline, trend and increase use of streamlined R&D contracting  
Reference: AF LRP End State 3; AQ Plan 3.1  
Metric: Percentage increase of streamlined R&D contracting actions  
Computation: Number of streamlined R&D contracting actions divided by the number of R&D actions  
Source Data: Data to populate this measure resides in the DD350 database  
OPR: MAJCOM LGCs  
OCR: SAF/AQCP  
Suspense: Jun 99

**Task 3.1.5** - Develop and initiate testing an Activity Based Costing concept for Air Force Contracting  
Metric: Concept developed and testing initiated  
Computation: N/A  
Source Data: N/A  
OPR: AFMC/PK  
OCR: ASC/PK, MAJCOM LGCs  
Suspense: Jan 99

**Task 3.1.6** - Develop acquisition policy regarding partnering with industry and publish guidance on appropriate business arrangements  
Reference: 31 USC 3302, 10 USC 2471, 10 USC 2208, 10 USC 2553 PL 103-337, 22 USC 2770, 15 USC 3710a and 10 USC 2539b  
Metric: Policy developed and guidance published  
Computation: N/A  
Source Data: N/A  
OPR: HQ AFMC/PK  
OCR: SAF/AQD  
Suspense: Jan 99

## **OBJECTIVE 3.2**

### **Buy Commercial**

**Task 3.2.1** - Baseline and increase by 50% the purchase of new commercial items, commodities/ services over \$25,000 which are acquired using provisions of FAR Part 12  
Reference: AF LRP End State 5, AF LRP End State 3, AQ Plan 3.1



Metric: Percentage increase of commodities and services purchased above \$25,000 which are acquired under the provisions of FAR Part 12  
Computation: Number of commodities and services purchased above \$25,000 which are acquired under the provisions of FAR Part 12 divided by the total number bought above \$25,000  
Source Data: Data to populate this measure resides in the DD350 database  
OPR: MAJCOM LGCs  
OCR: SAF/AQCI, SAF/AQCP  
Suspense: Sep 99

**Task 3.2.2** - Publish Air Force Purchase Card instructions to include new surveillance procedures  
Reference: DoD Goal 3; AF LRP End State 5; AQ Plan 3.1  
Metric: Instruction published  
Computation: N/A  
Source Data: N/A  
OPR: SAF/AQCO  
OCR: MAJCOM LGCs  
Suspense: Jul 99

### **OBJECTIVE 3.3 Facilitate Outsourcing and Privatization within the Air Force**

**Task 3.3.1** - Develop and publish best business practices associated with outsourcing and privatization  
Reference: AF LRP End State 5; AF LRP End State 3; AQ Plan 3.1  
Metric: O&P best business practices developed and published  
Computation: Count  
Source Data: AF/XPM reports  
OPR: SAF/AQCO  
OCR: MAJCOM LGCs  
Suspense: Jan 99

### **OBJECTIVE 3.4 Implement Effective Performance Based Service Contracting Policies and Procedures**

**Task 3.4.1** - Publish re-write of AFM 64-108, Performance Based Services Contracting, (AFI 63-124)  
Metric: Re-write published  
Computation: N/A  
Source Data: N/A  
OPR: SAF/AQCO  
OCR: MAJCOM LGCs  
Suspense: Dec 98

**Task 3.4.2** - Develop and deploy initial multi-functional training on new AFI 63-124, Performance Based Services Contracting  
Metric: Training conducted  
Computation: N/A  
Source Data: N/A  
OPR: SAF/AQCO; MAJCOM LGCs  
Suspense: Apr 99

## **OBJECTIVE 3.5 Implement Effective Past Performance Practices**

**Task 3.5.1** - Conduct a pilot test of new past performance policies at three sites (Ogden, Wright Patterson, Langley)

Reference: AF LRP End State 5; AF LRP End State 3; AQ Plan 3.1

Metric: Initiate pilot test

Computation: N/A

Source Data: N/A

OPR: SAF/AQCP, SAF/AQCO

OCR: MAJCOM LGCs

Suspense: Sep 98

**Task 3.5.2** - Award model service contracts utilizing commercial practices and results-oriented work statements

Reference: AF LRP End State 5; AF LRP End State 3; AQ Plan 3.1

Metric: Initiate 4 test cases

Computation: Count

Source Data: MAJCOM LGCs' feedback

OPR: AETC/LGC, AFSPCOM/LGC, MAJCOM LGCs

OCR: SAF/AQCP, SAF/AQCO

Suspense: Sep 98

## **Goal 4 Exploit Emerging Technologies**

### **OBJECTIVE 4.1 Reengineer Air Force Contracting Information System business processes to be responsive to business changes**

**Task 4.1.1** - Develop a deployment schedule and field the Standard Procurement System by fiscal year 2000

Reference: IT Plan 1.2.1

Metric: Deployment milestones met

Computation: N/A

Source Data: N/A

OPR: SAF/AQCI, AFCIS

OCR: MAJCOM LGCs

Suspense: Sep 99

**Task 4.1.2** - Develop a plan and ensure current and newly acquired systems are year 2000 compliant

Reference: IT Plan 3.1.1

Metric: Deployment milestones met

Computation: N/A

Source Data: N/A

OPR: AFCIS

OCR: SAF/AQCI, MAJCOM LGCs

Suspense: Sep 99

**Task 4.1.3** - Ensure that current communications infrastructures support our future business model

Reference: IT Plan 3.1.1

Metric: Successful audit by AFCIC

Computation: N/A

OPR: AFCIC

OCR: SAF/AQCI

Suspense: Sep 99

## **OBJECTIVE 4.2**

### **Leverage the internet for use of contracting business processes**

**Task 4.2.1** - Provide contracting personnel with the ability to electronically post solicitations and receive proposals with electronic signatures  
Reference: AF LRP End State 5; AF LRP End State 3; AQ Plan 3.1  
Metric: Capability provided  
Computation: N/A  
Source Data: N/A  
OPR: SAF/AQCI  
OCR: MAJCOM LGCs  
Suspense: Sep 99

## **OBJECTIVE 4.3 Reduce Paper in the Air Force Contracting Environment**

**Task 4.3.1** - Achieve 90% paperless rate as measured by the Non-FACNET reporting collection procedures for DEPSECDEF quarterly review  
Reference: DoD Goal 7; AF LRP End State 5; AF LRP End State 3  
Metric: Paperless rate in AF Web based Non-FACNET reporting  
Source Data: AF Web based Non-FACNET reporting  
OPR: SAF/AQCI  
OCR: MAJCOM LGCs  
Suspense: Sep 00

**Task 4.3.2** - Meet the milestones of the 62 subtasks in the Action Plan developed to move to an Air Force Paper Free Contracting Environment  
Reference: DoD Goal 7  
Metric: Completion of tasks on time  
Source Data: 62 Subtasks in the Action Plan  
OPR: SAF/AQCI

OCR: MAJCOM LGCs  
Suspense: Jan 00

Questions regarding the Air Force Business Plan and CONTRACTING 21 should be addressed to:  
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“To be successful, we must establish a collaborative implementation process that involves all members of the contracting community. We must build strong linkage and synergy between all levels of leadership and followership”

## A Final Thought

Air Force acquisition will face unprecedented challenges as we move into the 21<sup>st</sup> century. To be successful, we must establish a collaborative implementation process that involves all members of the contracting community. We must build strong linkage and synergy among all levels of leadership and followership. With your help, teamwork, and support, I am convinced we will successfully move the Air Force Contracting community into the 21<sup>st</sup> century. This Plan, **CONTRACTING 21**, builds on your ideas and hard work. I am confident that together we can make a quantum leap in the quality of our products and services while at the same time leading the ‘revolution in business affairs.’ **CONTRACTING 21** provides an outline of our overarching purposes: to get closer to our customers, to reduce costs, to increase efficiency, to align our community along mission areas, and to improve our communication and business processes. I urge every individual within Air Force Contracting, staff and field, to become familiar with this document and to talk

with one another about its content. Implications for further development will grow out of such discussions. I need your ideas and support. You are encouraged to think ‘outside the box’—be creative in helping our work force manage the changes in our business environment which lie ahead! We are moving into a very exciting and challenging era. Air Force Contracting must evolve rapidly in order to support the modernization requirements our warfighters need. We must become an even better link between America’s warfighters and America’s defense industry. **CONTRACTING 21** is a living and evolving document that provides the foundation for every contracting member to challenge current business practices and to make inputs on how we best move to the 21<sup>st</sup> century. We need your help — we can’t afford to miss — its just too important!

**Brig Gen Frank J. Anderson, Jr.**  
Deputy Assistant Secretary  
for Contracting